

# Administration Manual Changes

## February 2019

**TABLE OF CONTENTS:** Added hyperlinks to individual chapters and appendices

### **CHAPTER 1 CHANGES:**

#### Pg. 4 – L. Incarcerated Individuals - added new section

An Employee, Retiree, Spouse, or Dependent is not eligible for coverage through KEHP if they are incarcerated in prison, jail, or a custodial facility after having been convicted of a crime or offense.

#### Pg. 5 – Dependent Eligibility Chart

2<sup>nd</sup> column, “Natural Child”, amended.

A legible photocopy of the child’s birth certificate showing the name of the Employee/Retiree as a parent; or a copy of the footprint certificate from the hospital indicating the hospital name, baby and parents’ first and last names, and signed by the attending physician or a hospital representative; or verification of the birth document from the hospital indicating the first and last names of the baby and parent(s). At least one parent must be an Employee/Retiree eligible to participate in KEHP.

#### Pg. 12 – B. Newly Hired Employees

Took out the word eligible.

#### Pg. 12 – Elig. for Waiver Gen. Purpose HRA & Waiver Dental/Vision only HRA – added language

An Employee who has elected a Waiver GP HRA and who becomes entitled to and covered under Medicare, Medicaid, or TRICARE must drop the Waiver GP HRA and may redirect future employer contributions to a Waiver DV HRA or choose Waiver no HRA. Funds in the Waiver GP HRA will not rollover or transfer to the Waiver DV HRA. A spouse or dependent covered under the Waiver GP HRA who becomes entitled to and covered under Medicare, Medicaid, or TRICARE cannot be covered under the Employee’s Waiver GP HRA. No change permitted for an Employee with a Waiver DV HRA.

## **CHAPTER 2 CHANGES:**

### **Pg 6 - D. Return to Work Retirees –Delete and replace**

- For further instructions please call the Enrollment Information Branch

Insert the following text in place of the deleted text.

- The RTW Retiree will be treated similar to an Employee transferring to a new agency.
- The Effective Date of coverage is the first day of the month following re-employment. This will require the new company to begin providing the employer contribution before the expiration of the typical new hire waiting period.
- Newly-hired RTW Retirees are NOT permitted to make new KEHP elections. The Insurance Coordinator must “hire-in” Employees in KHRIS with the transfer reason code, or submit a Health Insurance Enrollment/Change Application with the transfer information.
- The newly-hired RTW Retiree may elect to enroll in a FSA if the new employer participates in the FSA program.
- Also see Chapter 1, Section 3 for eligibility information related to RTW Retirees.

## **CHAPTER 3 CHANGES:**

### **Pg. 2 – Ending the Cross Reference Payment Option, (C), (2), 2<sup>nd</sup> bullet**

The remaining Planholder may change the Coverage Level to Family Coverage by adding the former Employee/Spouse to the Plan. KEHP must receive the Employee Health Insurance enrollment/Change application within 35 days from the former Employee/Spouse’s termination date. KEHP will add the spouse to the Employee’s coverage with no break in service and change the Coverage Level to Family Coverage for the remaining planholder.

## **CHAPTER 4 CHANGES:**

### **Pg. 2 – Leave of Absence, A. Leave Without Pay - added language (italics)**

The following LWOP guidelines apply to eligibility for KEHP and are not meant to replace any LWOP guidelines established by a company or agency. Agencies and companies shall notify KEHP within 120 days of an Employee going on LWOP. While an Employee is on LWOP the following could occur:

### **Pg. 8 – Beginning Military Leave – added language**

Employees may stop their Health Insurance coverage on the last day of the Semi-Monthly Billing period before they are activated with the Armed Services. *Employees may drop their Spouse or Dependent(s) on the last day of the Semi-Monthly Billing period before the dependent is activated with the Armed Services.*

All premiums due upon return from active duty will be determined by the date of return to active employment. *Employees electing this option MUST present supporting documentation of the*

*military coverage such as enlistment papers showing date Employee or Dependent were called to active military duty or a letter from Tricare showing when they gained Tricare.*

## **CHAPTER 8 CHANGES:**

All instances where grievance was written, now changed to exception.

## **CHAPTER 12 CHANGES:**

Pg. 1, Collections and Disbursements – changed language.

All instances where ‘Basic Life Insurance’ or ‘Life Insurance’ were listed have been omitted. These will be added to an Optional Insurance Manual.

Pg. 2, Payment Information – language added.

DEI’S preferred payment method for paying bills is ACH.

Pg. 3, Arrears Process for Commonwealth Paid Agencies/Members – clarification of timing

On a semi-monthly basis, after discrepancy reports are run, letters are generated for 30 day arrears and 60 day termination.

## **APPENDICES CHANGES:**

The following Appendices were removed from the Administration Manual:

Checklist for New Employees

Monthly Premiums and Employee Contributions

COBRA Rates and Calendar

Newborn Calculator for Higher Premium

Chart to Assist in Determining the County Code needed for Enrollment

Chart to Assist in Refunding Premiums

Sample Past Due Premium Notification Letters

## **APPENDIX I CHANGES:** *(Formerly Appendix P)*

Pg. 3, Qualifying Events, (A)(2), deleted bullet

Increase in cost of coverage (unless for Dependent Care FSA)

Pg. 4, Effective Date – added language (italics)

The Effective Date is the date the coverage take effect. Most Effective Dates are the first day of the month following the signature date. Coverage can NEVER be effective prior to the Event Date, *except for the Open Enrollment Under Other Employer Plan/Different Year QE.*

Pg. 4, Supporting Documentation – added language (italics)

Most all QEs must be validated with supporting documentation, such as, but not limited to marriage certificates, divorce agreements, or letters from employers. Before a Dependent can be added to a health insurance plan, verification documents must be provided. *Each Qualifying Event contains a Documents Required section. Other documents, besides those listed, may be acceptable. In all event situations, KEHP must be satisfied that the event has occurred and that the requested change is permitted for that event. Otherwise, the documentation submitted will not be accepted and a plan change will not be permitted.* See Dependent Eligibility Chart

Pg. 6, Gain Spouse Due to Marriage, Documents Required – added language (italics)

<b>Document(s) Required</b>	Drop Employee or Dependent(s) due to gaining other Group Health Plan Coverage	Notification from employer, on employer’s letterhead or via electronically, <i>or an email from the employer with HR signature block</i> identifying the coverage Effective Date and the person(s) covered by the policy; or a copy of the new Health Insurance ID card(s) for each covered person, with coverage Effective Date;; or a self-service enrollment confirmation that states the employer name, effective date and person(s) covered. <i>A copy of the new Health Insurance ID card(s) for each covered person, with coverage Effective Date is not sufficient unless accompanied by some form of written verification from the employer identifying the hire date, coverage effective date and the person(s) covered by the policy.</i>
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Pg. 8, Gain Dep. Due to Birth, Adoption, Placement for Adoption, Effective Date – added language

<b>Effective Date</b>	Add Employee, Spouse or Dependent(s)	Birth: Date of birth; Adoption: Date of Adoption <i>or date of filing of the petition for adoption</i> ; Foreign Adoption- Date Visa stamped; Placement: Child’s Placement Date.
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Pg. 11, Starting Employment By Spouse Or Dependent, changed language (italics)

**Documents Required:**

Notification from employer, on employer’s letterhead or via electronically, *or an email from the employer with HR signature block* identifying the coverage Effective Date and the person(s) covered by the policy; or a self-serve enrollment confirmation that states the employer name, Effective date, and person(s) covered.

Pg. 13, Termination of Spouse’s or Dependent’s Employment, changed language (italics)

<b>Document(s) Required</b>	Adding Employee, Spouse or Dependent(s)	Notification from employer, on employer's letterhead or via electronically, identifying the coverage termination date, the reason for coverage termination, and the person(s) covered by the policy; or letter <i>or certificate of creditable coverage</i> from the insurance company showing the termination date, type of coverage, date of termination and person(s) covered. All forms of documentation should indicate that the reason for loss of coverage is the termination of the spouse's or dependent's employment.
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**Pg. 15, Dependent Ceases to Satisfy Eligibility Requirements – language added (italics)**

**DROP:** Employee may decrease or terminate election only for affected Dependent (*or Spouse in the event of incarceration*). Plan Option change may be made.

**OTHER CONDITIONS/GUIDANCE:**

- No tag along change can be made
- Dependent will automatically be dropped from the KHRIS system at the end of the month in which the Dependent turns 26.
- Aging-out Dependent who is also a KEHP member and who has now experienced a loss of coverage.
- Stepchildren who lose eligibility as a result of divorce, annulment or legal separation.
- *A Spouse or Dependent who is incarcerated in prison, jail, or a custodial facility after having been convicted of a crime or offense is not eligible for coverage under KEHP*

**Pg. 17, Other Employer Plan Decreases or Ceases Coverage – language added (italics)**

**OTHER CONDITIONS/GUIDANCE:**

**Examples:** Mandatory change initiated by Spouse's employer; optional change in coverage initiated by Spouse's employer; and change in coverage initiated by Spouse. **NOTE:** This QE is only related to changes under OTHER EMPLOYER plans. It does not refer to gaining individual coverage through any other source *such as through the Marketplace*.

**Pg. 20-21, Loss of Elig. for Individual Health Coverage (Marketplace) – language changed (italics)**

**ADD:** Employee may enroll or increase Coverage Level for Employee, Spouse, or Dependent if Employee, Spouse, or Dependent loses *individual* health coverage. Prospective change only.

**OTHER CONDITIONS/GUIDANCE:**

- Tag-Along rules apply.
- Applies only to LOSS (NOT GAIN) of coverage.

**Pg. 21-22, Loss of Group Health Coverage – language changed (italics)**

<b>Document(s) Required</b>	Notification from employer, on employer's letterhead or via electronically, identifying the coverage termination date, the reason for coverage termination, and the person(s) covered by the policy; or a letter <i>or a certificate of creditable coverage</i> from the insurance company showing the termination date, type of coverage, date of termination and person(s) covered. <b>NOTE:</b> <i>Loss of coverage</i> for the failure to pay premium is not a valid QE; however, the loss of coverage because the employer ceased to offer coverage is a valid QE.
<b>Signature Deadline</b>	60 calendar days from the Qualifying Event date.

Pg. 23, Order Requiring Coverage for Child Under Employee's Plan – changed language (italics)

<b>Signature Deadline</b>	35 calendar days from the Qualifying Event date. <i>The Qualifying Event date is the earliest of the judge's signature date or the enter/filed stamp date on the Order or the date of the filing of the application for guardianship. For a National Medical Support Notice (NMSN), the Qualifying Event date is the date on the NMSN directing the employer to enroll an Employee's child in a plan.</i>
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Pg. 23, Order Requiring Coverage for Child Under Employee's Plan – changed language (italics)

Documents Required box: Delete: "See Dependent Eligibility Chart." Replace with:

*An Order placing financial responsibility on the Employee or requiring health insurance coverage including:*

- *De Facto Custody Order - An Order changing custody from parent to a non-parent*
- *Guardianship/Limited Guardianship/Conservator*
- *Temporary Custody/Guardianship/ De Facto Custody Orders*

*Documents that are insufficient proof for the Qualifying Event include:*

- *Powers of Attorney*
- *Authorization to make medical decisions*
- *Custody Order changing custody from one parent to another*
- *Petitions for Guardianship*

*Refer to the Manager of EIB for Orders that do not place a financial responsibility on the Employee or require health insurance coverage.*

Pg. 29, Employee Starts Military Leave – language changed (italics)

Employee on military leave may either terminate coverage or continue coverage. To continue coverage, the Employee must elect COBRA. If the Employee does not continue health plan coverage by electing COBRA while performing military service, coverage will be suspended while the employee is on approved military service leave. Employees returning from military service have the right to have their health benefits reinstated without any re-

entry requirements (i.e. waiting period). **Drop:** *Employee may revoke election for a Spouse or Dependent who goes on military leave and receives health insurance coverage (TRICARE) from the government.*

Under Administration Guidelines Add:

**Event Date:** *Beginning military duty – date activated with the Armed Services*

**Effective Date:** *Dropping Employee, Spouse and/or Dependent(s): Last day of the Semi-Monthly Billing Period before activated with the Armed services.*

**Documents Required:** *Enlistment papers showing date Employee, Spouse, or Dependent was called to duty or a letter from TRICARE showing when the member gained coverage through TRICARE.*

**Forms to Use:** *Health Insurance: Health Insurance Enrollment/Change Application.*

Pg. 29, Employee Returns from Military Leave, Admin. Guidelines– language changed (italics)

**Event Date:** *Date return from leave*

**Effective Date:** *Adding Employee, Spouse and or Dependent(s): Employees returning from military leave will have all benefits (Health Insurance and FSAs) reinstated the date of return, (first day of the second month rule does not apply) without any waiting period.*

**Documents Required:** *Employees electing the option MUST present supporting documentation of the military coverage end date and coverage will be reinstated the first day of the month following the date of the loss of coverage through TRICARE.*

**Forms to Use:** *Health Insurance: Health Insurance Enrollment/Change Application.*

Pg. 35, Dependent Eligibility Chart – sections added (italics)

*Documents Required*

*Health Insurance Enrollment/Change Application*

*Order signed by a judge” in the third column*

